

**LAND BOARD AGENDA ITEM**

**November 17th, 2008**

**SET MINIMUM BID FOR LAND BANKING PARCELS # 17, 74, 152, 153,  
155, 154, 156, 243, 246, 248, 252, 254, 256, 247, 249, 522, 294, 295, 297,  
523, 524 & 525  
TOOLE COUNTY**

**Seller:** State of Montana, Department of Natural Resources and Conservation

**Nominator:** Parcel 17 – DAM Inc. (Duane Markuson)

Parcels 74, 152, 153, 155, 154 & 156 - Lessee, Gerald Smith

Parcels 243, 246, 248, 252, 254 & 256 – Lessees; Karl, Brian and Earnest Ratzburg

Parcels 247, 249 & 522 - Lessee, West Butte Ranch, (Chuck and Sally Clark)

Parcels 294, 295, 297, 523, 524 & 525 - Lessee Robert W. Parsell

**Location:** Parcel 17 – This parcel is located on the Toole – Liberty County line, 18 miles northwest of Chester.

Parcels 74, 152, 153, 155, 154 & 156 - are located 21 miles east-southeast of Shelby.

Parcels 243, 246, 248, 252, 254 & 256 – are located 30 to 36 miles northeast of Shelby.

Parcels 247, 249 & 522 - are located 32 miles northeast of Shelby.

Parcels 294, 295, 297, 523, 524 & 525 – are located 34 miles northeast of Shelby.

Parcel 458 – North of Havre, close to the Canadian border

**Property Characteristics:**

Parcels 17, 74, 152, 153, 155, 154 & 156 - All are leased for grazing, and have below average production when compared to Trust Lands across the state. It is likely the grazing use would continue if the lands were sold.

Parcels 243, 246, 248, 252, 254, 256, 247, 249, 522, 294, 295, 297, 523, 524 & 525 - These parcels have approximately average to slightly above average grazing values compared to trust lands across the state. Due to the small isolated configurations they are difficult for DNRC to manage, and are indistinguishable from the adjacent private land.

**Access:**

Parcels 17, 243, 246, 248, 252, 254, 256, 247, 249 & 522 - These parcels of grazing land are completely surrounded by private land and consequently are not accessible for recreational purposes without permission of the private land owner.

Parcels 74, 152, 153, 155, 154 & 156 - They are all accessible by Hwy 2, or via adjacent state land. Parcels north of Highway 2 are very close to the Ranch Headquarters, are integral parts of the ranch operation, and consequently provide no recreational opportunities.

Parcels 294, 295, 297, 523, 524 & 525 – All of the parcels are completely surrounded by private land. Most of the adjoining private land is under a conservation easement held by the US Fish and Wildlife Service. Robert Parcell has been a long time participant in the Block management program and the sale of the state parcels are not likely to change the recreational use in this vicinity.

**Agency Recommendation:**

Based on appraised values, the Director recommends the minimum bid amount as follows:

<b>Sale #</b>	<b># of Acres</b>	<b>Appraised Value Without Access</b>	<b>Appraised Value With Access</b>	<b>Recommended Minimum Bid</b>	<b>Trust</b>
17	640	N/A	\$109,440	\$109,440	Common Schools
74	194.64	N/A	\$28,275	\$28,275	Public Buildings
152	9.64	N/A	\$1,400	\$1,400	Public Buildings
153	80	N/A	\$11,600	\$11,600	Public Buildings
155	80	N/A	\$11,600	\$11,600	Public Buildings
154	100	N/A	\$14,500	\$14,500	Public Buildings
156	6.28	N/A	\$910	\$910	Public Buildings
243	40	N/A	\$13,200	\$13,200	Public Buildings
246	40	N/A	\$13,200	\$13,200	Public Buildings
248	80	N/A	\$26,400	\$26,400	Public Buildings
252	40	N/A	\$13,200	\$13,200	Public Buildings
254	40	N/A	\$13,200	\$13,200	Public Buildings
256	40	N/A	\$13,200	\$13,200	Public Buildings
247	40	N/A	\$13,200	\$13,200	Public Buildings
522	40	N/A	\$13,200	\$13,200	Public Buildings
249	40	N/A	\$13,200	\$13,200	Public Buildings
294	40	N/A	\$13,200	\$13,200	Public Buildings
295	40	N/A	\$13,200	\$13,200	Public Buildings
297	40	N/A	\$13,200	\$13,200	Public Buildings
523	40	N/A	\$13,200	\$13,200	Public Buildings
524	40	N/A	\$13,200	\$13,200	Public Buildings
525	40	N/A	\$13,200	\$13,200	Public Buildings
<b>Total</b>				<b>\$388,925</b>	